I&C

App. F. IX-4

Previous References 1939. (Dec)

File No. 260-39

Serial Nos. 1-4

Later References.

P

(22)

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. Four

Part B for Nov. 39

SUBJECT.

Note on the Sugar Industry in the Sangrur State

WD 0573—GPB—22,500—12-9-39

28/11

The reply to this communication should be addressed to the Secretary to the Resident in Mysore, Bangalore, by designation and not by name.

Col 667

D.D.~~No~~. F.9873-39 Enc. 1
G & A.

9k 260-39-1

15 OCT. 1939 GOVT. OF MYSORE

15 OCT. 1939 GEN. SECTT. AG. ICH.

FROM

THE SECRETARY TO THE HON'BLE THE RESIDENT IN MYSORE.

22 OCT. 1939 GEN. & REVENUE SECRETARIAT. DEVELOPMENT BRANCH.

To

Dy. no 1770

The Secretary to the Government of ~~His Highness~~ the Maharaja of Mysore, Development Department,

BANGALORE.

Dated Bangalore, the 14th October *193* 9.

GENERAL SECRETARY. 15 OCT. 1939

Subject:-Sugar Industry.

SIR,

I am directed to forward a copy of letter from the Government of Bengal No.101-T.A.I, dated the 18th September 1939.

2. Please inform me of the reply that should be sent to the Government of Bengal.

I have the honour to be,

Sir,

Your most obedient Servant,

for SECRETARY TO THE RESIDENT.

sent with a draft to the Secy, Mysore Sugar Co. Ltd 28/10/39

TYPE ... 1939 GEN. & ...CTT.

To the Secy, Mysore Sugar Co Ltd.
D. 2238 31-10-39
Pls a copy of letter & requests him to forward a reply on the subject.

TAS.

Letter from the Government of Bengal No.101-T.A.I. dated the 18th September 1939.

Subject:-Sugar Industry.

I am directed to address you on the above subject and to say that the question of development of the Sugar industry has been engaging the attention of this Government for sometime past. It is understood that the Mysore Government have made great strides in the development of the Sugar industry by subsidising or encouraging the floating of limited companies. I am therefore to request that, if there is no objection, full information regarding the activities of the Mysore Government in this direction may kindly be furnished to this Government.

"C O P Y"

TAS.

Note on Sugar industry in mysore

General and Revenue Secretariat. | Ste File No. 260 of 1939. [App. F. III-2

Serial No.	
3	Letter no A/5131 dt 20-11-39 from the Secy. Sugar Co forwarding a note on the subject. Draft subd. 21/11 21/11/
4	To: The Secy to the Resident Pol. 717 25-11-39 Pls a note in the matter.

NOTE--Contn. Sheet

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

4

Dated, Bangalore, 30th October 1939

No. D 2238 / 1 Le

From

The Secretary to the Government of His Highness the Maharaja of Mysore,
Development Department.

To

The Secretary,
Mysore Sugar Company Ltd,

Sir,

I am directed to forward herewith a copy of letter D.D. No.9873-39/G & A.dated 14th October 1939 from the Secretary to the Hon'ble the Resident in Mysore with its enclosure requesting information regarding the sugar industry in Mysore State, and to request you to forward a note on the subject for transmission to the Government of Bengal.

I have the honour to be,
Sir,
Your most obedient servant,

For Secretary to Government,
Development Department.

Appendix F G—1]

SUBJECT.....

.....

.....

Diary No. of letter replied to.....

General and Revenue Secretariat

( )

the *193* .

Date of issue 31/10/38

Signed by Mr George Mathan

List of enclosures.....

Copied by.....

Examined by.....

Section 9+c

File No. 260-39

Serial No. 2

No. D 2238

To

The Secy. mys. Sugar Co.

Sir,

I am directed to forward herewith a copy of letter no. D. No 9873-39/G&A dy 14-10-38 from the Hon'ble the Chief Secy to Resident in Mysore with its enclosure requesting information regarding the Sugar industry in Mysore State, and to request you to forward a note on the subject for transmission to the Govt of Bengal.

I have etc

for Secy

6

Sec 260-39-3

TELEPHONE NO. 2133

FACTORY:
MANDYA (MYSORE STATE)

THE MYSORE SUGAR COMPANY, LTD.

TEL. ADD.:
"MYSUGAR"
CODES USED:
A.B.C. 5TH EDN. & BENTLEY'S

"SANTHI BHAVAN"
SESHADRI ROAD

REF. NO. A/5131.

BANGALORE, 17th Nov. 1939.

SECY. DEV. DEPT. * 20 NOV. 1939 * COLLEGE MYSORE

GEN & REVENUE SECRETARIAT. 21 NOV. 1939 2043 * DEVELOPMENT BRANCH. *

Accept & this note may be left in the file

The Secretary to Government,
Development Department,
Bangalore.

Dear Sir,

With reference to your letter No. D-2238/14 dated 30/31st October 1939, we forward herewith a note on the sugar industry in the Mysore State, for being sent on to the Government of Bengal, through the Secretary to the Hon'ble the Resident in Mysore.

Yours faithfully,
THE MYSORE SUGAR CO. LTD.

G. N. Pallegar
SECRETARY

GPK.
Encl. 1

NOTE ON THE SUGAR INDUSTRY IN MYSORE STATE.

The sugar factory established by the Mysore Sugar Company, Ltd., is located at Mandya, the headquarters of the district of that name. Mandya is a station on the metre gauge railway line between Bangalore and Mysore, and is 28 miles distant from Mysore and about 60 miles from Bangalore. The factory draws its supplies of cane chiefly from Mandya taluk, and partly also from the adjoining taluks of Maddur and French Rocks. Sugarcane has always been an important crop in the Mysore State generally, but the cultivation of cane had been practised only to a slight extent in the area served by the Mandya factory, the soils being mostly poor and the tanks, the only source of irrigation, being extremely shallow and holding very little water during the summer. The rainfall is below 30 inches and the area is one which generally suffers from drought. The establishment of a sugar factory in the area was the natural development of the steps taken by the Government of Mysore to protect this tract against drought by the construction of the Krishnarajasagara reservoir on the Cauvery river.

The reservoir has a capacity of 44,000 million cubic feet and when the system of canals is completed it will have brought under irrigation 1,20,000 acres of land in the Mandya, Maddur and Malavalli taluks of the Mandya District. The extent so far brought under irrigation is 60,000 acres. In order to prevent insanitary conditions by excessive irrigation and to enable the ryots to grow relatively valuable crops, the lands commanded by each distributary are divided into 3 blocks with a triennial rotation of crops, viz., paddy, an irrigated dry crop and sugarcane (or other money crop ~~with~~ with intermittent irrigation throughout the year). Water was let into the canals in 1932 but difficulties were ex-

perienced in getting the ryots to take advantage of the irrigational facilities provided. They were mostly unaccustomed to the cultivation of cane and before they would take ~~advantage~~ to sugarcane cultivation on a large scale, they wanted to have an assurance as to the availability of a ready market for the cane grown by them. The passing of the Sugar Industry (Protection) Act No. XIII of 1932 in British India, whereby the Government of India promised protection to the sugar industry in India for a period of 15 years, was in the circumstances, most opportune.

The industry would not, however, have been started but for the initiative of the Government of Mysore, since, on the one hand, industrialists were not prepared to invest money in putting up a sugar factory before cane cultivation was established in the tract, and on the other hand, the ryots would not cultivate cane until a market for the cane should be assured by the establishment of a sugar factory that would purchase the cane grown by them at reasonable prices.

The Government had already established in this locality an agricultural farm with the object of experimenting on the various crops as to their suitability to the area and to the system of irrigation prescribed, and in particular to experiment on the one crop, sugarcane, which was expected to dominate the cultivation of the area for some years. Here, starting with 10 acres of HM-320 (a variety of cane produced as a result of the breeding work carried out by the Agricultural Department in the Hebbal Agricultural Farm, and found to be well suited for manufacture of sugar), about 200 acres of this cane had become available as seed for distribution during 1933, for an area of 2,000 acres. Government also authorised the Agricultural Department to start 3 new sugar-

cane farms covering an area of about 800 acres with the intention of eventually handing them over to the Sugar Company after it should be established. They also sanctioned a scheme of advances in the shape of cash, implements and fertilisers to ryots who undertook to grow cane and supply it to the factory at an agreed price, these advances also being eventually to be taken over by the Company.

A joint stock company with a capital of Rs.20 lakhs was floated with the object of establishing a sugar factory in the locality, Government subscribing 60% of the share capital with a corresponding preponderance on the Board of Directors (The authorised capital was subsequently raised to Rs.25 lakhs, and the paid-up capital is Rs.21,79,280/-). Orders for the machinery required for the factory were placed in January 1933 and the construction was completed well in time to deal with the crop planted in the 1933 planting season.

The original plant was designed to have a crushing capacity of 400 tons and to be capable of being expanded to one of 700 tons, employing the Double Sulphitation Process of manufacture of white sugar. The milling plant consisted of a 15 Roller Mill of 24" x 48", driven by a Corliss Steam Engine of 32" dia. x 60" stroke, with a suitable set of Subsiders, one Quadruple Effect Evaporator with a heating surface of 8,000 sq. ft., 3 Vacuum Pans, 8 Crystallizers and a group of Centrifugals. Provision was made for this plant being semi-electrically driven, the electrical plant consisting of a Bellis Morcom Generating Set of 250 K.W. capacity.

The factory commenced milling in January 1934 and during the first season it crushed 53,199 tons of cane, of which 19,502 tons were obtained from the Government's and Company's farms, and the remaining 33,697 tons from ryots, who had given

agreements to grow and supply cane to the factory and had obtained advances. The price received by the ryots was Rs.12/- per ton (Rs.0-7-1 per maund), and in addition half the transport charges were also borne by the Company, as a special case for that year.

The successful working of the factory and the attractive prices paid to the ryots growing cane for the factory brought about within three months of the starting of operations a keen and insistent demand on the part of the ryots to be permitted to grow cane for supply to the factory. This necessitated the immediate expansion of the factory and the management decided to raise its crushing capacity to 1,400 tons per day. The requisite finance was raised by means of a Debenture loan subscribed for by the shareholders themselves, and with the sum obtained an additional milling plant of a larger capacity was ordered with suitable additions to the Boiling House and to the battery of centrifugals. The mill can, at present crush 2,000 tons of cane per day, but the Boiling House can only handle juice of about 1,500 tons of cane, and plans have been laid out for the gradual expansion of the boiling house also to a capacity of 2,000 tons per day. Subsequent additions have been made to the equipment of the factory from time to time and the total capital cost so far incurred amounts to Rs.46,91,155--4--11.

The cane that is supplied to the factory by the ryots for milling is grown over an area of 12,000 acres in the neighbourhood of the factory. The Company enters into contract with the ryots 12 to 16 months ahead for purposes of getting regular supplies of cane, from about five to six thousand ryots. They also get advances from the Company in the shape of fertilizers to the extent of 8 to 10 lakhs of Rupees every year.

The Company has its own Farms with an aggregate area of 1,600 acres. These serve to supplement the supplies of sugarcane to the factory and to demonstrate to the ryots the possibilities of obtaining good yields of cane even from the poor soils generally met with in the tract. The Company also maintains a large staff of Inspectors and Fieldmen whose duty it is to supervise the cultivation of cane for the Factory, to see that planting, manuring, irrigation and control of pests are properly attended to, and generally to instruct and guide the ryots in the methods of cane cultivation so as to obtain the best results. That these measures are bearing fruit is apparent from the fact that the average yield of cane on ryots' lands has increased from 16 tons per acre in 1933-34 to 28 tons in the year 1938-39. In a few small plots, the yield has been 50 to 60 tons.

The price paid to the ryots for sugarcane has varied with reference to the price of sugar. The policy of the Company has been to pay the cane growers as good an initial price as is warranted by the anticipated price of sugar. If the average price realised in a season is higher than anticipated, the cane grower is given a share in such improvement through a system of bonuses instituted with the approval of Government.

The factory works on an average about 250 days in a year and the annual production is about 28,000 tons of sugar.

The establishment of a factory at Mandya has resulted in bringing about substantial improvement in the economic condition of the ryots and from the year 1933-34 up-to-date, a sum of Rs.1,15,00,000/- has been paid to the ryots, representing the value of sugarcane supplied by them to the factory. The quantity of cane crushed from the time the factory began milling is as noted below:-

1933-34	..	.. 53,199 tons
1934-35	..	.. 83,383 ,,
1935-36	..	2,23,925 ,,
1936-37	..	.. 2,21,571 ,,
1937-38	..	.. 2,61,120 ,,
1938-39 (9 months)		.. 2,31,230 ,,

The annual production of molasses in the factory is about 9 to 10 thousand tons. With the object of finding an outlet for the molasses, the Mysore Sugar Company has secured the contract for the supply of potable alcohol to the Mysore Government Excise Department and has put up a Distillery as an adjunct to the Sugar Factory. This, in itself, consumes only a small portion of the molasses produced, and with a view to utilise the excess molasses, a plant for the production of absolute alcohol is installed. This plant is now in operation. The Government have passed the necessary legislation making compulsory the use of petrol with an admixture of alcohol in the proportion of 85 : 15. This legislation is now in force in two out of nine Districts. If the Power Alcohol Act is extended to the whole of the Mysore State, a large proportion of the molasses produced would be utilised for the production of absolute alcohol.

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M. V. Pallegar
SECRETARY.

GPK.
17/11/39.

3

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

No. Rd 717 Ends6 sheets

Bangalore, Dated, 25th November 1939.

From

The *Secretary to the Government of His Highness the Maharaja of Mysore.*
Development Department.

To

The Secretary to the Hon'ble the Resident in Mysore,
Bangalore.

Sir,

With reference to your letter No.D.D.9873-39/G&A. dated 14th October 1939 forwarding copy of letter from the Government of Bengal, regarding the activities of the Government of Mysore as regards Sugar Industry, I am directed to forward herewith a note in the matter.

I have the honor to be,
Sir,
Your most obedient servant,

DH

for Secretary to Government,
Development Department.

SR/2/3

NOTE ON THE SUGAR INDUSTRY IN MYSORE STATE.

The Sugar factory established by the Mysore Sugar Company Ltd., is located at Mandya, the headquarters of the district of that name. Mandya is a station on the metre gauge railway line between Bangalore and Mysore, and is 28 miles distant fromMysore and about 60 miles from Bangalore. The factory draws its supplies of cane chiefly from Mandya taluk, and partly also from the adjoining taluks of Maddur and French Rocks. Sugarcane has always been an important crop in the Mysore State generally, but the cultivation of cane had been practised only to a slight extent in the area served by the Mandya factory, the soils being mostly poor and the tanks, the only source of irrigation, being extremely shallow and holding very little water during the summer. The rainfall is below 30 inches and the area is one which generally suffers from drought. The establishment of a sugar factory in the area was the natural development of the steps taken by the Government of Mysore to protect this tract against drought by the construction of the Krishnarajasagara reservoir on the Cauvery river.

The reservoir has a capacity of 44,000 million cubic feet and when the system of canals is completed it will have brought under irrigation 1,20,000 acres of land in the Mandya, Maddur and Malavalli taluks of the Mandya District. The extent so far brought under irrigation is 60,000 acres. . In order to prevent insanitary conditions by excessive irrigation and to enable the ryots to grow relatively valuable crops, the lands commanded by each distributary are divided into 3 blocks with a triennial retation of crops, viz., paddy, an irrigated dry crop and sugarcane (or other money crop with intermittent irrigation throught the year). Water was let

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"C O/P Y"

for Dy. Secy to Govt.

Appendix F G—1]

SUBJECT..... Sugar industry in the Province

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Section 9+c

File No. 260-39

Serial No. 4

Diary No. of letter replied to .....

No. Pol 717 Eds 6 Chiefs

To

The Secy to Resident

General and Revenue Secretariat

(.)

the *193* .

Sir,

Date of issue 25.11.1939

With ref. to your letter no D.D. No 9873-39 G+A dt 14-10-39 ~~requesting to be informed as to what reply may be sent~~ forwarding copy of letter from ~~to~~ the Govt. of Bengal regarding the activities of the Govt of Mysore as regards Sugar industry, I am directed to forward herewith a ~~Copy of~~ note ~~on the subject~~ for ~~favour of transmission to that~~ in the matter.

I have etc

For Dep. Secy.

Signed by Mr. S. M.

Typ. Secy) Please make 2 copies of the note. MMD

List of enclosures.....

Copied by.....

Examined by.....